

**AMENDMENT NO. 1
TO**

**The Yard Waste Processing Contract
Between the City of Seattle and Cedar Grove Composting, Inc.**

THIS AMENDMENT is made on this ____ day of _____, 200__, by and between THE CITY OF SEATTLE and CEDAR GROVE COMPOSTING, INC., amending the Yard Waste Processing Contract between the above parties executed February 5, 2001, pursuant to City Ordinance 120243 ("Contract").

WHEREAS, the parties desire to negotiate changes and make additions to the Contract;

IN CONSIDERATION of the terms and conditions herein, the parties agree to amend the Contract as follows:

Section 10. Purpose and Intent., is deleted and a new Section 10 is substituted in its place as follows:

This Contract engages Contractor to process into a marketable product, at a facility(ies) identified in Sections 110 and 140, all Yard Waste/Food Waste that has been collected under separate City collection contracts or delivered to the City's transfer stations.

Section 15. Contract Term, is deleted and a new Section 15 is substituted in its place as follows:

This Contract is entered into as of this ____ day of _____, 2001. Actual Yard Waste processing services will begin April 1, 2001 and continue through March 31, 2013.

The City, at its option, may extend this Contract for a two successive one-year periods to March 31, 2014 or March 31, 2015 by notifying the Contractor on or before June 30, 2012 and June 30, 2013, respectively. If the City extends this Contract, the same terms, conditions, and method of payment shall apply during the extension period.

Section 20. Definitions., is amended by deleting the definition for "Unacceptable Waste" and substituting a new definition for "Unacceptable Waste" as follows:

"Unacceptable Waste" means: (1) any material of which the handling of, transportation to, or disposal at the Contractor's facility would constitute a violation of any federal, state or local law, regulation, rule, code, permit or permit conditions; (2) any material that is now or hereafter defined by federal or State law as radioactive, dangerous, hazardous, or extremely hazardous; (3) vehicle tires, asbestos, roofing materials, plastic and other such non-compostable materials; (4) human or animal excrement; (5) tree limbs in excess of four inches

in diameter and rocks in excess of two inches in diameter; and (6) material, whether or not compostable, outside the definitions of Yard Waste/Food Waste.

Section 25. City Responsibilities., 3) and 4) are deleted and the following 3) and 4) are substituted in their place as follows:

- 3) Maintaining its collection contracts and Yard Waste/Food Waste program;
- 4) Ensuring that all commingled Yard Waste/Food Waste collected under separate City contracts, or accepted at City transfer stations is delivered to the Contractor's processing facility (the City reserves the right to contract separately for source separated commercial food waste); and

Section 60. OSHA/WISHA, Health and Environmental Laws., the second paragraph is deleted and the following paragraph is substituted in its place as follows:

The Contractor is also responsible for meeting all regulations, and standards applicable to processing Yard Waste/Food Waste, including without limitation environmental and health laws, regulations and standards.

Section 100. Yard Waste Processing., is deleted and the following Section 100. Yard Waste/Food Waste Processing., is substituted in its place as follows:

The Contractor shall process Yard Waste/Food Waste into a marketable product such as soil amendment product, animal feed product or anaerobic digestion gaseous byproducts, and shall not deposit Yard Waste/Food Waste as Garbage at a landfill or incinerator. Marketing of the product is at the Contractor's risk, expense and profit (or loss).

The Contractor may arrange to use the facilities and equipment of another Yard Waste/Food Waste processor or establish its own permitted processing facility. In either event, the processing facility shall conform to applicable zoning, Health Department and, if applicable, Puget Sound Air Pollution Control Agency regulations and any other rules, regulations, or ordinances.

The Contractor's arrangements for processing Yard Waste/Food Waste, at both the primary and back-up Yard Waste/Food Waste processing facilities, shall be subject to review and approval before the Contractor begins processing Yard Waste/Food Waste, and the facilities shall be subject to inspection by City staff during business hours to determine compliance with this Contract and all the rules and regulations pertaining to processing.

Section 110. Primary Yard Waste Processing Facility., is deleted and the following Section 110. Primary Yard Waste/Food Waste Processing Facility., is substituted in its place as follows:

The Contractor's primary processing facility shall be its existing Maple Valley composting facility, 17825 Cedar Grove Road S.E., Maple Valley, Washington 98038. The processing facility shall accept Yard Waste/Food Waste from the City, or any City collection contractor, Monday through Saturday, 7:00 am to 7:00

pm March through October and Monday through Friday, 7:00 am to 7:00 pm
November through February, unless the City and the Contractor make alternate
arrangements.

The processing facility shall contain a truck scale for weighing all trucks in and
out of the facility. Tare weights shall not be used for billing the City.

**Section 120. Back-up Yard Waste Processing Facility., is deleted and the
following Section 120. Back-up Yard Waste/Food Waste Processing Facility., is
substituted in its place as follows:**

To avoid disruption of the Yard Waste/Food Waste collection program through a
temporary shutdown in processing, the Contractor shall have an agreement with
another permitted processing facility(s) for processing Yard Waste/Food Waste.
The Contractor represents and warrants that as of the date hereof each of the
following facilities is so permitted and that each has agreed to process Yard
Waste as a back-up facility pursuant to this Section 120:

Cedar Grove Composting
Smith Island
Everett, Washington
Yard Waste/Food Waste

Bailey Compost
Springhetti Road
Snohomish, Washington 98296
Yard Waste

Pacific Topsoils
Maltby, Washington 98012
Yard Waste

If the Contractor is unable to meet Health Department regulations or other
pertinent state, local or other regulations, or is unable for any reason whatsoever
to accept Yard Waste/Food Waste for processing at its specified primary
processing facility, the Contractor, at its own initiative or upon notification from
the City, shall direct the City to one of the back-up Yard Waste/Food Waste
processing facilities identified above.

The Contractor shall be responsible for payments required to contract for use of
the back-up facility. The City shall adjust Contractor payments for any changes
to the Yard Waste/Food Waste transport costs as a result of delivery to a back-
up facility. The City shall bill the Contractor for any additional City operational
costs as a result of the City delivering Yard Waste/Food Waste to the back-up
facility. The City will document these operational costs.

Changes in transport mileage from Rabanco's 3rd and Lander Street facility will
be calculated at the rate of \$.67 per ton mile, one way. Any cost changes will be
calculated as follows:

- 1) The City shall measure the distance from Rabanco's 3rd and Lander Street facility to the Cedar Grove Yard Waste/Food Waste processing facility located in Maple Valley, in miles, one way, along the most direct route on streets usable by transfer trucks;
- 2) The City shall measure the distance from Rabanco's 3rd and Lander Street facility to the back up Yard Waste/Food Waste processing facility, in miles, one way, along the most direct route on streets usable by transfer trucks;
- 3) The City shall then multiply the difference in those two distances by the number of tons of Yard Waste/Food Waste actually delivered by Rabanco to the back up Yard Waste/Food Waste processing facility;
- 4) The City shall then multiply the ton-miles by the rate of \$.67 per ton mile; and
- 5) If the back up facility is closer to the 3rd and Lander Street facility, the City will credit the Contractor with the result from 4) above. If the back up facility is farther away from the 3rd and Lander Street facility, the City will charge the Contractor with the result from 4) above.

Section 130. Food Waste/Vegetative Food Waste Processing., is deleted.

Section 180. Food Waste Customer Education., is added to the Contract as follows:

The Contractor shall provide the following customer education services to help implement Food Waste collection:

- 1) Visit each new commercial business signing up for Food Waste collection to assist the business in implementing the program, answering any questions, and providing advice and technical assistance.
- 2) Contact each above commercial business six (6) months after start-up to monitor their separation operations, answer any questions, and provide advice and technical assistance.
- 3) Provide on-call assistance visits to any commercial business requesting such assistance.
- 4) Visit each commercial business with contamination problems identified by the City or the collection contractors within one (1) week of notification. Provide assistance to resolve the contamination problems.

- 5) Visit 25% of participating commercial businesses on an annual basis to monitor their separation operations, answer any questions, and provide advice and technical assistance.
- 6) Support marketing efforts performed by the City and the collection contractors. Attend monthly public information meetings between the City and the collection contractors to discuss marketing efforts and public information needs.
- 7) Support and assist the City and the collection contractors in recruiting commercial businesses to participate in Food Waste separation and composting.
- 8) Review and comment on all customer information materials developed by the City and the collection contractors in support of residential and commercial Food Waste services.

Section 300. Payment for Processing Services, is deleted and the following paragraph is substituted in its place as follows:

The City shall pay the Contractor monthly for all tons of Yard Waste/Food Waste delivered to the Contractor's receiving facility during the month documented per Section 210. From April 1, 2001 through March 31, 2002, the City will pay the Contractor a rate of \$22.50 per ton adjusted by the annual adjustment in Section 310.

Section 310. Adjustments in Subsequent Contract Years, is amended by adding the following paragraph to the end of the Section:

Beginning the first full month following execution of Amendment 1 of this Contract, the per ton payment rate for processing Yard Waste/Food Waste will be reduced by \$1.25/ton.

Section 510. Default of Contractor, 1) is deleted and the following 1) is substituted in its place as follows:

- 1) Is unable to accept, for more than a 24 hour period of time, excluding Sunday, Yard Waste/Food Waste for processing at the primary or back-up processing facility; or

Effective Date. This Amendment shall become effective on the first day of the month following its execution by both parties.

IN WITNESS WHEREOF, the parties hereto have executed this Contract Amendment by having their representatives affix their signatures below.

CEDAR GROVE COMPOSTING, INC.

THE CITY OF SEATTLE

By _____
J. Stephan Banchero, Jr
President

By _____
Chuck Clark, Director
Seattle Public Utilities

Date: _____

Date: _____

Authorized by Ordinance Number _____